

Key Financial Secrecy Indicators

4: Public Access to Company Accounts

What is being assessed?

This indicator shows whether a jurisdiction requires all types of companies to publish their annual accounts in an online central database that is readily accessible via the internet¹.

The indicator is fed mainly by four sources. First, table D6 of the OECD-report (Tax Co-operation 2007 and 2008²) indicates whether a company's financial statements need to be submitted to a government authority in the first place. Second, private sector internet sources have been consulted (Lowtax.net, Ocra.com, Offshoresimple.com, etc.). Third, results of the TJN-Survey 2009 have been included. Fourth, in cases where the previous sources indicated that annual accounts are available online, the corresponding websites have been consulted as well. Only if the access or downloading of accounts was possible at a fixed cost below US\$10 and did not require the establishment of complex payment arrangements (e.g. registration of bank account) did we assess it as being on public record.³

A precondition for this indicator to be answered positively is that all available types of companies must be required to publish their annual accounts online. If there are types of company available that dispense with the requirement to publish detailed annual accounts, there is no reason to believe that other company types' annual accounts contribute significantly to financial transparency since anybody intending to conceal accounts from public view will simply opt for company types where no accounts need to be prepared or published.

¹ We believe this is a reasonable criteria given a) the prevalence of the internet in 2009, b) international financial flows are transacted using modern technology, and, c) the people affected by these cross border financial flows are likely to be in many jurisdictions, and hence *need* online access to public records in other jurisdictions.

² The full title of this annual publication is "Tax Co-operation. Towards a Level Playing Field". Because the OECD published its 2008 report during the research process, both the 2007 and 2008 report have been used. The OECD writes of table D6: "This table shows for each of the countries reviewed the legal requirements relating to the nature of the accounting records that must be created and retained, specific requirements with respect to their auditing and lodgement with a governmental authority and the rules regarding the retention of the records." (OECD 2008: 164). "Financial statements" are synonymous to "annual accounts". Column four and five are described as follows: "Column 4 shows which countries have a requirement to prepare financial statements. Column 5 shows whether a requirement exists to file financial statements with a governmental authority and/or to file a tax return." (ibid.: 164).

³ We consider that for something to be truly 'on public record' there should be an absence of prohibitive barriers to access, either in the form of high access fees or unnecessary bureaucracy.

Why is it important?

Access to timely and accurate annual accounts is crucial for every company in every country for a variety of reasons. First, accounts allow society (the public) to assess the risk they face in trading with limited companies. This can only be done when accounts are available for public scrutiny. Second, in times of financial globalisation, financial regulators and tax authorities more than ever need to be able to assess cross-border implications of the dealings of companies. Unhindered access to foreign companies' and subsidiaries' accounts empower regulators and authorities to double check the veracity of locally submitted information and to assess the macro-consequences of corporate undertakings without imposing excessive costs. Thirdly, no company can be considered accountable to the communities where it is licensed to operate (and where it enjoys the privilege of limited liability) unless it places its accounts on public record.

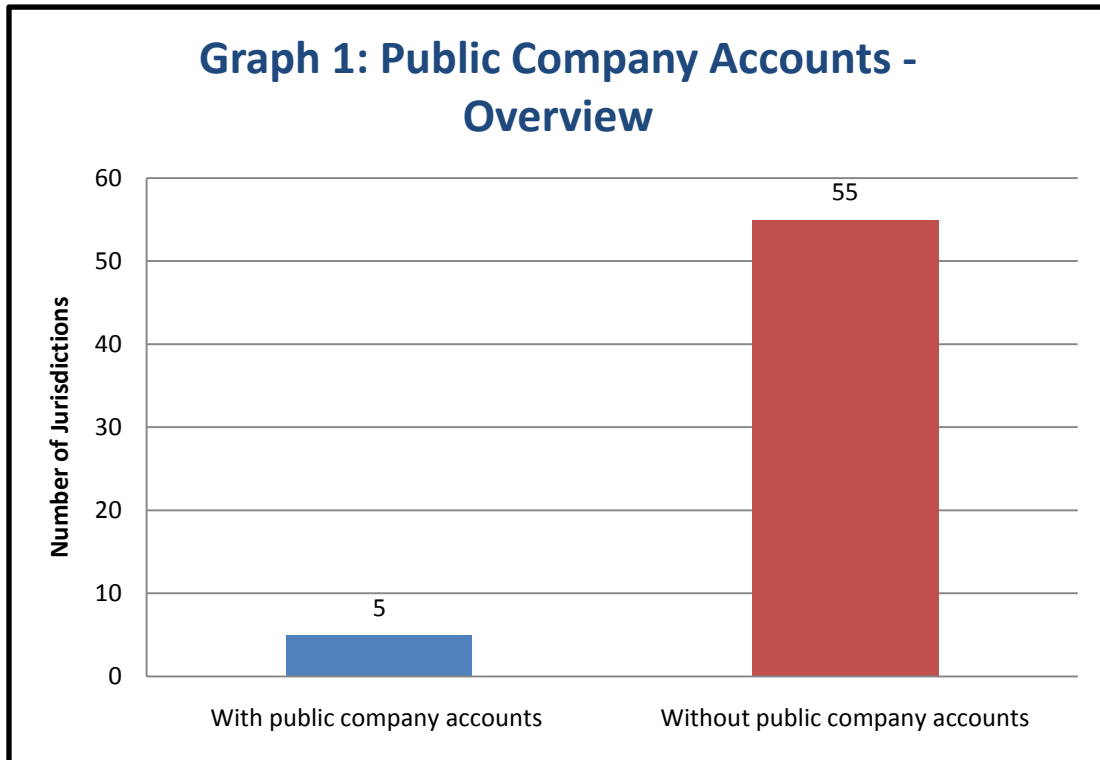
What are the crimes that might hide behind trust secrecy?

Tax avoidance by multinational companies, commercial transfer mispricing, trade mispricing, double dipping / corporate fraud, money laundering, hiding of the proceeds of corruption and more besides might hide behind the secrecy that the absence of published company accounts can provide.

Results Overview

Table 1: Public Access to Company Accounts - Overview

Number of jurisdictions requiring public access to company accounts:	5
Number of jurisdictions not requiring public access to company accounts:	55



Results Details

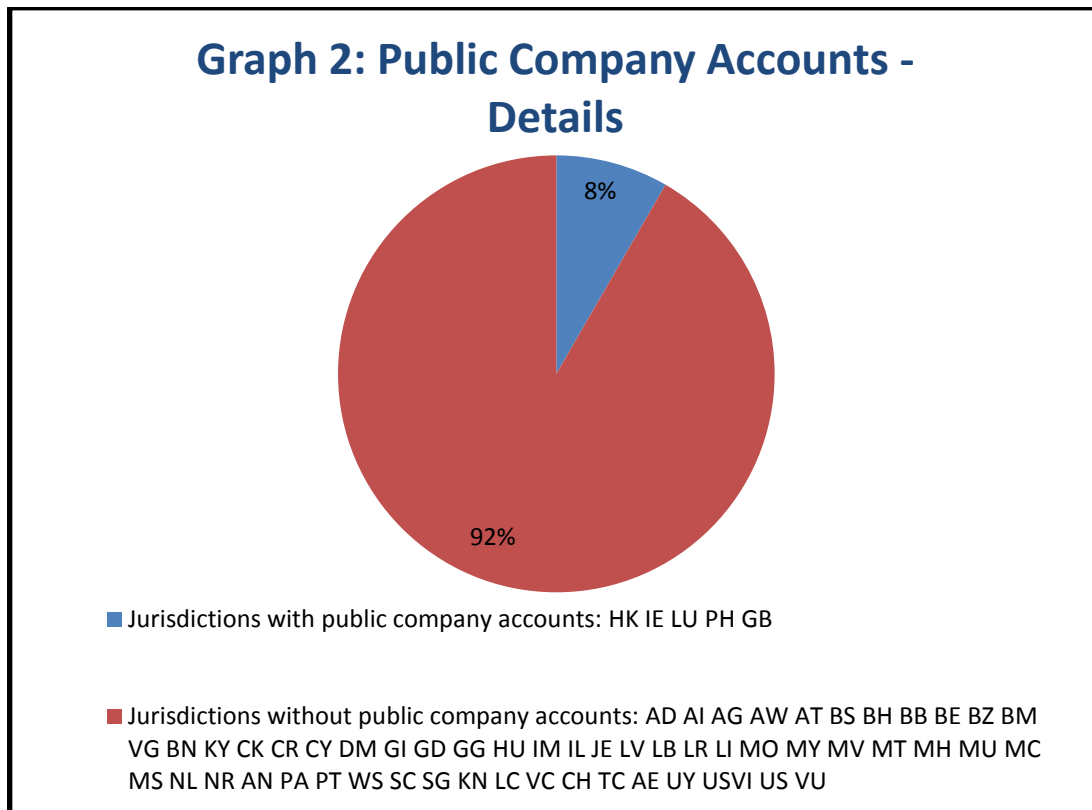


Table 2: Public Company Accounts - Details

ID	Jurisdiction	ISO		ID	Jurisdiction	ISO	
1	Andorra	AD	No	31	Liechtenstein	LI	No
2	Anguilla	AI	No	32	Luxembourg	LU	Yes
3	Antigua & Barbuda	AG	No	33	Macao	MO	No
4	Aruba	AW	No	34	Malaysia (Labuan)	MY	No
5	Austria	AT	No	35	Maldives	MV	No
6	Bahamas	BS	No	36	Malta	MT	No
7	Bahrain	BH	No	37	Marshall Islands	MH	No
8	Barbados	BB	No	38	Mauritius	MU	No
9	Belgium	BE	No	39	Monaco	MC	No
10	Belize	BZ	No	40	Montserrat	MS	No
11	Bermuda	BM	No	41	Nauru	NR	No
12	British Virgin Islands	VG	No	42	Netherlands	NL	No
13	Brunei	BN	No	43	Netherlands Antilles	AN	No
14	Cayman Islands	KY	No	44	Panama	PA	No
15	Cook Islands	CK	No	45	Philippines	PH	Yes
16	Costa Rica	CR	No	46	Portugal (Madeira)	PT	No
17	Cyprus	CY	No	47	Samoa	WS	No
18	Dominica	DM	No	48	Seychelles	SC	No
19	Gibraltar	GI	No	49	Singapore	SG	No
20	Grenada	GD	No	50	St Kitts & Nevis	KN	No
21	Guernsey	GG	No	51	St Lucia	LC	No
22	Hong Kong	HK	Yes	52	St Vincent & Grenadines	VC	No
23	Hungary	HU	No	53	Switzerland	CH	No
24	Ireland	IE	Yes	54	Turks & Caicos Islands	TC	No
25	Isle of Man	IM	No	55	United Arab Emirates (Dubai)	AE	No
26	Israel	IL	No	56	United Kingdom (City of London)	GB	Yes
27	Jersey	JE	No	57	Uruguay	UY	No
28	Latvia	LV	No	58	US Virgin Islands	USVI	No
29	Lebanon	LB	No	59	USA (Delaware)	US	No
30	Liberia	LR	No	60	Vanuatu	VU	No